promoting exports and also for reduction in import duties on capital goods; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) Yes, Sir.

(b) Industrial licencing norms for export production have already been relaxed. Similarly, import duty on certain selected capital goods for export production has been reduced.

Import of Penicillin V

1726. SHRI ALADI ARUNA *alias* V. ARUNACHALAM: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the import of Penicillin V. is allowed for import on selected basis;

(b) whether it is also a fact that the importer has to lift certain proportion of indigenous material;

(c) if so, the details thereof;

(d) whether it is also a fact that penicillin V is not indigenously produced in the country;

(e) if so, how such a condition has been prescribed;

(f) whether his Ministry has got any legal undertaking or bank guarantee to enforce the condition; and

(g) if so, the details thereof and if not, the steps proposed to be taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) to (g) Import of Penicillin V is allowed in cases where the unit cannot use the alternate raw material, Penicillin G. M/s. Jagsonpal Pharmaceuticals have been allowed import of 75 MMU of Potassium Penicillin V First Crystals during 1988-89 with an obligation to lift indigenous material in the prescribed ratio. Penicilin V is not at present indigenously available. There has been a proposal for manufacture of Penicillin V by M/s. Indian Drugs & Pharmaceuticals and accordingly the obligation of lifting of indigenous Penicillin V was imposed. As and when Penicillin V is indigenously available the unit would be required to lift the indigenous material and issue of further licence would be subject to such lifting therefore bank guarantee is not necessary.

FIEO's suggestion to provide concessions to boost export performance

1727. SHRI D. B. CHANDRE GOWDA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Federation of Indian Export Organisation (FIEO) has urged Government to remove hurdles and provide some legitimate concessions to boost export performance;

(b) if so, what is Government's reaction to the suggestion of the FIEO;

(c) whether to boost export performance, Government had any proposal to provide any relief or concession to the exporters; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) FIEO has submitted a paper 'Mid-term Appraisal of Exports' containing various suggestions inter-alia raising the investment of SSI Units, lowering of interestrates, on export finance, disbursement of CCS/duty drawback through Commercial banks, strengthening of Indian Missions abroad and value addition norms of 100% EOUs etc.

(b) Government has recently reduced interest rates on pre and post shipment export finance. The ad-